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RESOLUTION NO. _____

**RESOLUTION ELECTING TO BE SUBJECT TO
PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT
ONLY WITH RESPECT TO MEMBERS OF A SPECIFIC EMPLOYEE ORGANIZATION
AND FIXING THE EMPLOYERS CONTRIBUTION FOR EMPLOYEES AND THE
EMPLOYERS CONTRIBUTIONS FOR ANNUITANTS AT DIFFERENT AMOUNTS**

WHEREAS, Government Code Section 22922 (b) provides that a contracting agency may elect upon proper application to participate under the Public Employees' Medical and Hospital Care Act with respect to a recognized employee organization only; and

WHEREAS, Government Code Section 22892(c) provides that a contracting agency may fix the amount of the employer's contribution for employees and the employer's contribution for annuitants at different amounts provided that the monthly contribution for annuitants shall be annually increased by an amount not less than 5 percent of the monthly contribution for employees, until such time as the amounts are equal; and

WHEREAS, City of Milpitas, hereinafter referred to as Public Agency is a local agency contracting with the Public Employees' Retirement System; and

WHEREAS, the Public Agency desires to obtain for the members of Milpitas Supervisors Association, who are employees and annuitants of the agency, the benefit of the Act and to accept the liabilities and obligations of an employer under the Act and Regulations; now, therefore, be it

RESOLVED, that the Public Agency elect, and it does hereby elect, to be subject to the provisions of the Act; and be it further

RESOLVED, that the employer's contribution for each employee shall be the amount necessary to pay the full cost of his enrollment, including the enrollment of his family members in a health benefits plan up to a maximum of Section 22892 (B1) per month; and be it further

RESOLVED, that the employer's contribution for each annuitant shall be the amount necessary to pay the cost of his enrollment, including the enrollment of his family members, in a health benefits plan up to a maximum of \$1.00 per month; and be it further

RESOLVED, that the employer's contribution for each annuitant shall be increased annually by 5 percent on the monthly contribution for employees, until such time as the contributions are equal; and that the contributions for employees and annuitants shall be in addition to those amounts contributed by the Public Agency for administrative fees and to the Contingency Reserve Fund; and be it further

RESOLVED, that the executive body appoint and direct, and it does hereby appoint and direct, City Manager to file with the Board of Administration of the Public Employees' Retirement System a verified copy of this Resolution, and to perform on behalf of said Public Agency all functions required of it under the act and Regulations of the Board of Administration; and be it further

RESOLVED, that coverage under the Act be effective on January 1, 2006.

PASSED AND ADOPTED by the City Council of the City of Milpitas this _____ day of _____ by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

APPROVED:

Mary Lavelle, City Clerk

Jose S. Esteves, Mayor

APPROVED AS TO FORM:

Steven T. Mattas, City Attorney